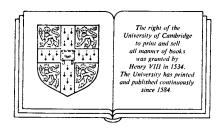
# The struggle for market power

Industrial relations in the British coal industry, 1800–1840

JAMES A. JAFFE University of Wisconsin



#### CAMBRIDGE UNIVERSITY PRESS

Cambridge New York Port Chester Melbourne Sydney

### PUBLISHED BY THE PRESS SYNDICATE OF THE UNIVERSITY OF CAMBRIDGE The Pitt Building, Trumpington Street, Cambridge, United Kingdom

CAMBRIDGE UNIVERSITY PRESS

The Edinburgh Building, Cambridge CB2 2RU, UK 40 West 20th Street, New York NY 10011-4211, USA 477 Williamstown Road, Port Melbourne, VIC 3207, Australia Ruiz de Alarcón 13, 28014 Madrid, Spain Dock House, The Waterfront, Cape Town 8001, South Africa

http://www.cambridge.org

© Cambridge University Press 1991

This book is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 1991 First paperback edition 2002

A catalogue record for this book is available from the British Library

Library of Congress Cataloguing in Publication data

Jaffe, James Alan, 1954

The struggle for market power: industrial relations in the

British coal industry, 1800–1840 / James A. Jaffe.

Includes bibliographical references.
Includes index.

ISBN 0521391466

1. Collective bargaining – Coal mining industry – England –
History – 19th century. 2. Wages – Coal miners – England –
History – 19th century. 3. Piece-work – England – History – 19th
century. I. Title.

HD6668.M615J34 1991 331'.0422334'09427-dc20 90-43069 CIP

> ISBN 0521391466 hardback ISBN 0521529417 paperback

## Contents

Acknowledgments Abbreviations Introduction		<i>page</i> ix xi			
			I	Capital and credit	7
			2	The perception of the market and industrial policy	30
3	Managerial capitalism	48			
4	Family, community, and the labor market	73			
5	Work and the ideology of the market	96			
6	Religion, ideology, and trade unions	120			
7	The transformation of market relations:				
	Tommy Hepburn's union, 1831	149			
8	Epilogue: class struggle and market power	179			
Conclusion: the labor process and the market		196			
Ap	pendix	204			
Select bibliography		206			
Index		225			

#### Introduction

This book is about the struggle to define the market. It is based upon the premise that the terms of exchange between classes are historically constructed through struggles over the control of market relations. These struggles, rather than those over the control of the labor process, formed the substance of industrial relations in the northern coal trade of industrializing England.

Underlying this premise is the corollary that early industrial workingclass culture expressed a fundamental acceptance of the utility of the market. The source of this acceptance was not, as others have argued or implied, workers' experience in the market for food or consumer goods. Instead, market relations penetrated local society largely through experience gained in the workplace, particularly the practice of bargaining over piece rates.

Historical analysis of the social impact of the wage form is surprisingly lacking. In the British economy as a whole, it is quite clear that piece rates became increasingly more popular among employers as the nineteenth century progressed. However, it is by no means as clear whether, or the extent to which, the adoption of the piece-rate system of payments involved a concomitant adoption of wage bargaining, collective or otherwise, or forms of unionization. It may well be, as Carter Goodrich suggested, that in many trades the implementation of piece-rate payments and the growth of trades unions were connected. It is certainly striking that boards of conciliation

<sup>&</sup>lt;sup>1</sup> See, e.g., Dale Edward Williams, "Morals, Markets and the English Crowd in 1766," Past & Present, no. 104 (August 1984), 56-73, and on the "consumer revolution" of the eighteenth century, see Neil McKendrick, John Brewer, and J. H. Plumb (eds.), The Birth of a Consumer Society: The Commercialization of Eighteenth-Century England (Bloomington: Indiana University Press, 1982).

<sup>&</sup>lt;sup>2</sup> John Rule, *The Labouring Classes in Early Industrial England*, 1750–1850 (London: Longman Group, 1986), 120–6.

<sup>&</sup>lt;sup>3</sup> Carter Goodrich, The Frontier Of Control (1920, repr. London: Pluto Press, 1975), 165, suggested that industries operating on piece-rate systems "naturally show more instances of union activity."

and arbitration were pioneered, and became most successful, in trades such as hosiery and footwear in which piece work was most prevalent.<sup>4</sup> Similarly, in textiles, the negotiated settlement of price lists after 1850 for the Bolton spinners and Blackburn weavers testifies to the connection between piece work and collective bargaining.<sup>5</sup> Indeed, a culture of bargaining also may have been a facet of the textile workers' community. Thus, a witness before Sadler's Committee in 1832 testified that "I always bargained for wages ever since I began to work for wages."<sup>6</sup>

The problem of identifying the social impact of the wage form and bargaining is compounded by the existence of a variety of forms of wage bargaining in the nineteenth century: some between individuals and employers, others between work groups and employers, still others over the establishment of trade price lists. In trades such as bespoke tailoring and flint glassmaking, for example, hourly wages served to mask piece rates that were construed in the form of a "log" or a "move." In such cases, bargaining was still an important aspect of industrial relations, but was more likely to

- <sup>4</sup> H. A. Clegg, Alan Fox, and A. F. Thompson, A History of British Trade Unions Since 1889, Volume 1: 1889–1910 (Oxford: Clarendon, 1964), 24–6; William Lazonick, "Industrial Relations and Technical Change: The Case of the Self-acting Mule," Cambridge Journal of Economics 3 (1979), 246–7, 257–8. The latter, however, emphasizes that the adoption of collective bargaining procedures occurred largely as an accommodative response among employers who felt themselves caught in a highly competitive industry rather than as rooted in work itself.
- <sup>5</sup> The Webbs themselves noted the "interesting parallelism" between the forms of organization and objectives of the coal miners and the cotton operatives. They explained the similarity, however, not by the nature of work and industrial relations but, predictably, by the special position of trade union officials and the unionists adherence to traditional living standards. Sidney Webb and Beatrice Webb, *The History of Trade Unionism*, new ed. (London: Longman Group, 1911) 298-9.
- <sup>6</sup> Quoted in Robert Gray, "The Languages of Factory Reform in Britain, c. 1830–1860," in Patrick Joyce (ed.), The Historical Meanings of Work (Cambridge University Press, 1987), 150. The work of Michael Huberman outlines a contractual model of labor relations; however, the actual bargaining process in the textile industry has yet to be fully adumbrated. See Michael Huberman, "The Economic Origins of Paternalism: Lancashire Cotton Spinning in the First Half of the Nineteenth Century," Social History, 12, no. 2 (1987), 177–92. See also, Mary Rose, Peter Taylor, and Michael Winstanley, "The Economic Origins of Paternalism: Some Objections," Social History, 14, no. 1 (1989), 89–98; Michael Huberman, "The Economic Origins of Paternalism: Reply to Rose, Taylor, and Winstanley," ibid., 99–103.
- Goodrich, Frontier of Control, 165-6; on district price lists in the cotton industry, see William Lazonick, "The Cotton Industry," in Bernard Elbaum and William Lazonick (eds.), The Decline of the British Economy (Oxford: Clarendon, 1986), 24-8.
- Takao Matsumura, The Labour Aristocracy Revisited: The Victorian Flint Glass Makers, 1850–1880 (Manchester: Manchester University Press, 1983), 48-51; D. F. Schloss, Methods of Industrial Remuneration, 3rd ed. (London: Williams & Norgate 1898), 26-7, also cited in Matsumura, Labour Aristocracy Revisited, 75.

Introduction

have involved the establishment of quantities or production quotas rather than piece rates per se.<sup>9</sup>

John Rule's work on the "tribute system" among Cornish miners presented another variation in which miners bargained to work certain portions of the mine with their payment based on a percentage of the value of ore delivered aboveground. (Unlike the northern coal miners, however, the Cornish miners bore the full burden of changes in the geology of ore veins that could lead equally to prosperity or poverty.) In the pottery industry of the early twentieth century, Richard Whipp has described a still different set of industrial relations premised upon bargaining that was unevenly spread across firms, work groups, and subindustries. Nonetheless, in Whipp's estimation, "localized, small-scale bargaining was the most common form in which pottery workers experienced industrial relations."

Therefore, while a good deal of information exists about the forms and structures of industrial remuneration, there is still much work to be done on the extent to which and why these systems of wage bargaining were accepted; on how the ethic of bargaining was internalized, as it seems to have been among textile operatives, pottery workers, and coal miners; and, whether, as some have argued, the adoption of piece rates invariably led to alienation, the intensification of labor, and the loss of control. On this last point, Schloss noted cases in which the introduction of time work was resisted by workers when trades were mechanized. In those instances, workers' defense of piece work was viewed as a way to share in the growth of productivity and to avoid further exploitation.

- 9 E. A. Pratt, Trade Unionism and British Industry (London: Murray, 1904), 97, cited in Matsumura, Labour Aristocracy Revisited, 75, n.3.
- 10 Rule, Labouring Classes, 124-5; idem, "The Labouring Miner in Cornwall: A Study in Social History" (Ph.D. dissertation, University of Warwick, 1971).
- 11 Richard Whipp, "Work and Social Consciousness: The British Potters in the Early Twentieth Century," Past & Present, no. 119 (May 1988), 147.
- The ambivalence of piece rates is certainly an extremely important point for the history of labor and the labor movement. Schloss, of course, noted this conflict, and labor historians tend to divide along similar lines. See Rule, Labouring Classes, 120-6, and K. McClelland and A. Reid, "Wood, Iron and Steel" in Royden Harrison and Jonathan Zeitlin (eds.), Divisions of Labour Skilled Workers and Technological Change in Nineteenth Century England (Sussex: Harvester, 1985) 164, for arguments that piece rates wrested control from workers and aggravated alienation. However, piece rates as Goodrich noted, were sometimes defended by labor precisely because they conferred a greater degree of job control and independence. See Goodrich, Frontier of Control, 163-4. Richard Price has similarly noted that piece work's social impact was inherently ambiguous. See Richard Price, "Labour Process and Labour History," Social History 8, no. 63, (1983) and idem, "Rethinking Labour History: The Importance of Work," in James E. Cronin and Jonathan Schneer (eds.), Social Conflict and the Political Order in Modern Britain (New Brunswick, N.J.: Rutgers University Press, 1982), 201-2.
- <sup>13</sup> Schloss, Methods of Industrial Remuneration, 56-9. Similarly, Lazonick notes the case of the

In a still broader sense, the study of piece work and its relation to forms of bargaining can be linked to the structural development of the British economy. As Elbaum and Lazonick suggest, the institutionalization of piece work and bargaining contributed to the rigidities of British industry in the late nineteenth and early twentieth centuries and inhibited competitive responses to changing markets. <sup>14</sup> In the case of Lancashire textiles, Lazonick has argued persuasively that the adoption of best-practice techniques was constrained in part by the conciliatory structure of industrial relations that were drawn against a background of cutthroat domestic and international competition. <sup>15</sup>

Part of the argument this book puts forward, therefore, is that bargaining was accepted as the principal terrain of industrial relations, and its ubiquity throughout the coal industry negotiated relations between classes. Through bargaining over piece rates, the miners of the Northeast came to understand and accept market relations. In one sense, therefore, the work presented here corresponds to Richard Price's recent survey of British labor history in which it is argued that social and industrial relations during the Industrial Revolution were shaped principally by the impact of the market rather than the restructuring of production relations. 16 However, unlike the evidence presented by Price, the coal miners' acceptance of market relations precluded a resistance to exploitation based upon notions of customary or lost independence.<sup>17</sup> Instead, the acceptance of market relations necessarily entailed an implicit rejection of the dichotomy, which is often an anachronistic one, employed by social historians between the customary, nonmarket culture of the preindustrial and early industrial working class and the hegemonically imposed market culture of competitive individualism under industrial capitalism. The northern miners of the early nineteenth century exhibited a culture and an ideology both aware of and engaged with the market. Indeed, to them, the market was their industrial culture.

Equally important, however, is the argument that the acceptance of market principles did not entail the acceptance of bourgeois political economy. It was readily apparent to workers with experience in wage bargaining that market mechanisms were not objectively determined; the hand was not

Lancashire minders whose negotiated wage lists "ensured them a share (and usually a significant one) in productivity gains" achieved by running self-acting mules faster. See Lazonick, "Industrial Relations and Technical Change," 256.

<sup>&</sup>lt;sup>14</sup> Lazonick, "Cotton Industry," 27; Bernard Elbaum, "The Steel Industry before World War I," in Elbaum and Lazonick (eds.), Decline of the British Economy, 69-71.

<sup>&</sup>lt;sup>15</sup> Lazonick, "Industrial Relations and Technical Change," 258.

<sup>16</sup> Richard Price, Labour in British Society: An Interpretative History (1986; repr. London: Routledge, 1990), 20-48.

<sup>17</sup> Ibid., 45.

Introduction 5

invisible. Certainly in the coal industry, as elsewhere, where masters sought to control and monopolize markets, it is inappropriate to speak of an ideological conflict between artisinal "regulation" and industrial laissez-faire. Both industry and labor sought to turn the terms of the market to their own best advantage. Industrial relations, therefore, were the result of struggles and compromises over the definition and control of several different markets, particularly the disposition of the product and labor markets. While still accepting the market's ultimate rationality, both the volume of production and the structure of the labor market were understood to be subject to the organizing power of both capital and labor. Logically, the determination of the precise character of these market relations in any historical epoch ultimately rested upon the social and economic power each class could bring to the struggle. In sum, the structuring of market relations was a problem of both power and prescription.

The market, therefore, like E. P. Thompson's famous definition of class, must be viewed in historical terms, that is, as a process and a relationship, not a structure or a thing. Objections to the reification of the market and the erection of "laws" of supply and demand, of course, underlay Marx's attacks on political economy. It is the purpose of this book to examine the historical construction of the market and its characteristic forms of industrial and social relations during the era of the Industrial Revolution.

To argue thus is to accept the importance of the experience of class, albeit from a different angle than previous work in the field. To some labor historians or industrial sociologists, this point may appear to be superfluous. However, the history of labor is now being enriched by what one historian has called the "social history of language." And to those whose primary interest is in the "autonomy" of language or the primacy of "discourse," this work may seem insufficiently abstract and rooted too firmly in a materialist conception of history. Still, while the study of language can become an essential component of the history of the working class — indeed, as I have said, the problem of the market was in part a problem of prescription — it is contended here that the identification and definition of class interests manifested themselves principally through the labor process and its penumbra of industrial relations.

To reconstruct the struggle for power in the market, industrial relations needed to be defined in the broadest sense. This is so particularly because

<sup>18</sup> Ibid., 29.

E. P. Thompson, The Making of the English Working Class (New York: Vintage, 1963), 9-10.
 Gregory Claeys, Citizens and Saints: Politics and Anti-politics in Early British Socialism (Cambridge University Press, 1989), 18; Gareth Stedman Jones, "Rethinking Chartism," in Stedman Jones, Languages of Class: Studies in English Working Class History, 1832-1982 (Cambridge University Press, 1983).

the struggle was not restricted solely to the shopfloor. Thus, in this book, not only are the goals, tactics, and methods of shopfloor relations and the organization of production examined, but equal weight is given to the analysis of the impact of the market on family and community, industrial paternalism, the finance and structure of industry, and religious and political ideologies.

Given this wide field of inquiry, it is natural that many fields of historical controversy have been traversed. This has made the problem of organization a complex one. The book, therefore, generally eschews a chronological framework in favor of a thematic organization. The first three chapters analyze the stucture and ideology of industry. Chapters 4, 5, and 6 discuss the expression of the market in working-class life, labor, and ideology. The succeeding two chapters are a detailed reconstruction of Tommy Hepburn's union movement of 1831–2. In these final chapters, given one of the common tools of the social historian, the analysis of a strike, it can be shown that the struggle to control the market shaped the context and character of class relations in the early industrial era.